

**Examples of Activities Related to Potential Policy Options for Enhancing Access to Health Insurance – June 2004
Covered in Initial State Planning Grant Researchⁱ**

Major Grouping	Specific Options Addressed in Initial SPG Research	Examples of Related Activities Affecting Coverage in WA State 2003 – 2004
I. Financial incentives to individuals and families to purchase health insurance (Subsidies include vouchers, tax credits, and direct payments)	Subsidies to assist low income in buying individual coverage	Basic Health and Medicaid 2004 program changes (see section VI below)
	Subsidies to assist high-risk people in buying individual coverage (state high risk pool)	2003 and 2004 Legislative discussions explored options for modifying the high risk pool and becoming federally qualified.
	Subsidies or reforms for transitional coverage (e.g. COBRA)	<ul style="list-style-type: none"> • Awareness campaign to alert eligibles re federal income tax credit through Trade Adjustment Act (TAA); state labor department request to expand tax credit • 2004 statutory approval for Basic Health to become a “qualified plan” under the TAA Health Coverage Tax Credit program. Enrollment growing.
	Subsidies of employee contributions to employer-sponsored insurance (premium assistance programs)	Medicaid program small but still functioning; CMS discussions on expansion.
II. Financial incentives to employers to purchase health insurance for their employees	<ul style="list-style-type: none"> • Direct subsidies or tax credits to employers • Play or pay mandate on employers 	<ul style="list-style-type: none"> • 3- and 4-part contribution options for small employers being explored by community groups • 2003 and 2004 legislative discussions re various “pay or play” requirements for employers
III. Health insurance purchasing pools	<ul style="list-style-type: none"> • Employer-based purchasing pools • Individual or individual/small market purchasing pools • Other community-based purchasing pools • Mobile worker purchaser pools • Consolidated state funded pools 	<ul style="list-style-type: none"> • Safe Table (educational) forums on employer coverage options and pooling opportunities • “Local purchasing utility” idea being explored by community group as means of pooling financing (inspired by SPG-SCI community-based coverage & purchasing pool technical assistance meeting) • 2003 statutory approval for low-income seniors to participate in consolidated drug purchasing program for state agencies. • 2004 statutory authorization for collective bargaining agreement for independent home care workers, including health coverage. Taft-Hartley trust option being pursued by union/ Home Care Quality Authority. • Private Fortune 500 companies (including WA-based Starbucks) spearheading collaborative to cover retirees, part time employees & other special populations
IV. Insurance market regulations	<ul style="list-style-type: none"> • Relief from benefit mandates • Individual and small-group market regulations • High-risk pool expansion 	<ul style="list-style-type: none"> • 2004 Legislative reforms for small employer groups – redefined group size as 2-50, community rating range increased, some benefit mandate relief. Continuing interest in 2005 ballot initiative to

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	<ul style="list-style-type: none"> • Universal catastrophic coverage 	<p>further refine benefit mandates and rate adjustments.</p> <ul style="list-style-type: none"> • Subsidies not changed but health screening questionnaire revised in June 2003 to screen additional people out of individual market and into high risk pool (about 20% of those referred to pool enroll; some get coverage elsewhere; many forgo any coverage) • 2003 statutory limit placed on number of subsidized “HIV Insurance Program” people that can be enrolled in high risk pool. • 2003 legislative discussion re Washington high risk pool becoming “qualified” under TAA – concern by small business & carriers about any action that would expand high risk pool access – legislation didn’t move. See section I above re Basic Health TAA qualified status. • Interest in universal catastrophic coverage (coupled with individual mandate) by Insurance Commissioner, included in “Let’s Get Washington Covered” task force discussions.
<p>V. Direct subsidies for safety net or charity care services</p> <p>(for those whom insurance may never seem like a viable option)</p>	<ul style="list-style-type: none"> • Expand state’s Community Health Services grant program • Create discount health cards for individuals • Expand federal health professional shortage areas (HPSAs) • Expedite Rural Health Center designation • Increase payment to providers via health plan contracts • Tax credit for not-for-profit hospitals • Tax credit for physicians, physician assistants, and nurse practitioners • Uncompensated care pools 	<ul style="list-style-type: none"> • Expansion of direct grant program to migrant and community health clinics included in Governor’s 2003-05 budget (eliminated in final budget negotiations); funded in 2004 supplemental • Priority of community coverage initiative is to stabilize safety net by expanding number of community health centers & rural clinics • Use of discount cards for low-income uninsured being used by community group in central WA • Modest expansion of designated HPSA areas • Governor’s 2004 rural budget package with investments in rural infrastructure, increase in health professional loan program and state paid med-mal insurance for retired providers to expand access in rural communities • 2004 legislation offering medical malpractice protection for providers serving in clinics as volunteers • Modifications in DSH payments to “compensate” for elimination of Medically Indigent program in Medicaid
<p>VI. Public Insurance Program Expansions</p>	<ul style="list-style-type: none"> • Although options re public insurance programs are part of our SPG work, our initial background research did not include a review of detailed options. Washington has been a leader in the three areas most commonly discussed, i.e., (1) attain full enrollment of all currently eligible individuals into existing 	<ul style="list-style-type: none"> • BH cost-sharing changes for 2004 including introduction of deductibles, increased co-pays and premium share, and reduction of enrollment slots to 100,000 from 130,000 • Elimination of state funded Medically Indigent program in Medicaid • Medicaid children premium sharing for 2004 (2003 statutory approval for cost-sharing in Medicaid, 2004 waiver accepted by

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	public programs, (2) expand eligibility for children by raising the income eligibility level, and (3) extend coverage for adults – first focusing on parents of eligible children and then on adults without children.	<p>CMS; Governor Locke delayed implementation until July 2005)</p> <ul style="list-style-type: none"> • Expansion of SCHIP coverage for pregnant women • Local initiative to develop consumer-driven, incentive-based coverage option (health reimbursement account + proven preventive care) to potentially pilot in a public program (Health Plan for Life) • Statutory request to find cost savings in local government procurement of health insurance for home care worker agencies
VII. Other (including Administrative Simplification)		<ul style="list-style-type: none"> • 2003 statutory requirement for uniform administrative, purchasing & quality policies across state programs • Public / private partnership among state agencies, hospitals, and private consortium of insurance carriers to reduce administrative burdens and increase efficiency. • Foundation sponsored community roundtables, dialogues and surveys to identify values of Washington residents vis-à-vis access & coverage to care • Community initiatives to use access to medical homes and preventive care as entrée to access to insurance coverage • ONEHEALTHPORT developed secure digital portal for efficient processing of medical records – collaboration of private insurance carriers and health care providers. Current efforts targeting the development of a secure medical records sharing platform.

ⁱ See “*Potential Policy Options for Enhancing Access to Health Insurance Coverage in Washington State*”, available at: <http://www.ofm.wa.gov/accesshealth/products.htm>

Bolding indicates options identified in initial research as “most promising” based on the following criteria: (1) effectiveness in insuring high risk people, (2) effectiveness in insuring low-income people, (3) effectiveness in improving access to health services for the uninsured, (4) benefit per dollar of new state spending, (5) cost to the state, and (6) implementation feasibility.